



Reprinted  
February 1, 2002

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## HOUSE BILL No. 1329

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DIGEST OF HB 1329 (Updated January 31, 2002 12:00 PM - DI 52)

**Citations Affected:** IC 4-21.5; IC 13-11; IC 13-15; IC 13-18; IC 16-41; noncode.

**Synopsis:** Public water and wastewater. Permits a political subdivision to receive financial assistance from the wastewater revolving loan fund and the supplemental drinking water and wastewater assistance fund for certain nonpoint source pollution reduction projects. Establishes reduced rate loans to private entities for those projects financed thorough those funds. Limits the amount available from each fund for those purposes. Adjusts the applicability of deadlines for action by the department of environmental management on certain environmental permit applications. Allows refunds of permit application fees under certain circumstances. Requires the department to report to the environmental quality service council on the use of permit fee revenue. Changes references to "public water supply" in the Indiana Code to "public water system" to conform to federal environmental law. Repeals the definitions of "public water supply" and "water supply system".

**Effective:** Upon passage; July 1, 2002; January 1, 2003.

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### Weinzapfel

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January 15, 2002, read first time and referred to Committee on Environmental Affairs.  
January 28, 2002, amended, reported — Do Pass.  
January 31, 2002, read second time, amended, ordered engrossed.

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HB 1329—LS 7164/DI 52+



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February 1, 2002

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## HOUSE BILL No. 1329

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A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-21.5-3-4, AS AMENDED BY P.L.54-2001,  
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2002]: Sec. 4. (a) Notice must be given under this section  
4 concerning the following:

5 (1) The grant, renewal, restoration, transfer, or denial of a license  
6 by the bureau of motor vehicles under IC 9.

7 (2) The grant, renewal, restoration, transfer, or denial of a  
8 noncommercial fishing or hunting license by the department of  
9 natural resources under IC 14.

10 (3) The grant, renewal, restoration, transfer, or denial of a license  
11 by a board described in IC 25-1-8-1.

12 (4) The grant, renewal, suspension, revocation, or denial of a  
13 certificate of registration under IC 25-5.2.

14 (5) A personnel decision by an agency.

15 (6) The grant, renewal, restoration, transfer, or denial of a license  
16 by the department of environmental management or the  
17 commissioner of the department under the following:

HB 1329—LS 7164/DI 52+



(A) Environmental management laws (as defined in IC 13-11-2-71) for the construction, installation, or modification of:

(i) sewers and appurtenant facilities, devices, or structures for the collection and transport of sewage (as defined in IC 13-11-2-200) or storm water to a storage or treatment facility or to a point of discharge into the environment; or

(ii) pipes, pumps, and appurtenant facilities, devices, or structures that are part of a public water ~~supply system~~ (as defined in ~~IC 13-11-2-177~~) **IC 13-11-2-177.3**) and that are used to transport water to a storage or treatment facility or to distribute water to the users of the public water ~~supply system~~; **system;**

where a federal, state, or local governmental body has given or will give public notice and has provided or will provide an opportunity for public participation concerning the activity that is the subject of the license.

(B) Environmental management laws (as defined in IC 13-11-2-71) for the registration of a device or a piece of equipment.

(C) IC 13-17-6-1 for a person to engage in the inspection, management, and abatement of asbestos containing material.

(D) IC 13-18-11 for a person to operate a wastewater treatment plant.

(E) IC 13-15-10 for a person to operate the following:

(i) A solid waste incinerator or a waste to energy facility.

(ii) A land disposal site.

(iii) A facility described under IC 13-15-1-3 whose operation could have an adverse impact on the environment if not operated properly.

(F) IC 13-20-4 for a person to operate a municipal waste collection and transportation vehicle.

(b) When an agency issues an order described by subsection (a), the agency shall give a written notice of the order to the following persons:

(1) Each person to whom the order is specifically directed.

(2) Each person to whom a law requires notice to be given.

A person who is entitled to notice under this subsection is not a party to any proceeding resulting from the grant of a petition for review under section 7 of this chapter unless the person is designated as a party on the record of the proceeding.

(c) The notice must include the following:

(1) A brief description of the order.



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(2) A brief explanation of the available procedures and the time limit for seeking administrative review of the order under section 7 of this chapter.

(3) Any information required by law.

(d) An order under this section is effective when it is served. However, if a timely and sufficient application has been made for renewal of a license described by subsection (a)(3) and review is granted under section 7 of this chapter, the existing license does not expire until the agency has disposed of the proceeding under this chapter concerning the renewal, unless a statute other than this article provides otherwise. This subsection does not preclude an agency from issuing under IC 4-21.5-4 an emergency or other temporary order with respect to the license.

(e) If a petition for review of an order described in subsection (a) is filed within the period set by section 7 of this chapter and a petition for stay of effectiveness of the order is filed by a party or another person who has a pending petition for intervention in the proceeding, an administrative law judge shall, as soon as practicable, conduct a preliminary hearing to determine whether the order should be stayed in whole or in part. The burden of proof in the preliminary hearing is on the person seeking the stay. The administrative law judge may stay the order in whole or in part. The order concerning the stay may be issued after an order described in subsection (a) becomes effective. The resulting order concerning the stay shall be served on the parties and any person who has a pending petition for intervention in the proceeding. It must include a statement of the facts and law on which it is based.

SECTION 2. IC 13-11-2-108, AS AMENDED BY P.L.72-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 108. "Industrial permit", for purposes of IC 13-14-8-11.6 and IC 13-18-20, refers to a National Pollutant Discharge Elimination System (NPDES) permit other than a permit issued to any of the following:

- (1) a municipal facility;
- (2) a state facility;
- (3) a federal facility;
- (4) a semipublic facility;
- (5) a public water ~~supply~~ **system** facility; or
- (6) a facility for storm water discharge.

SECTION 3. IC 13-11-2-142.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 142.2. "Nonpoint source", for**



purposes of this chapter, means:

(1) a pollution source that is not controlled by effluent limitations established under Section 301, 302, or 402 of the federal Water Pollution Control Act; or

(2) a pollution source identified in a state management plan produced according to Section 319 of the federal Water Pollution Control Act;

that is not traceable to a discrete identifiable origin.

SECTION 4. IC 13-11-2-142.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 142.4. "Nonpoint source pollution reduction project", for purposes of IC 13-18-13, IC 13-18-21, and IC 13-18-22, means a project that results in a reduction of nonpoint source pollution:

(1) from farm field runoff;

(2) through restoration of wetlands; or

(3) through replacement of failing sewage disposal systems with systems that include sewage treatment features.

SECTION 5. IC 13-11-2-172, AS AMENDED BY P.L.132-1999, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 172. (a) "Program", for purposes of IC 13-18-13, refers to:

(1) the wastewater revolving loan program established by IC 13-18-13-1; and

(2) use of the wastewater revolving loan fund established by IC 13-18-13-2 to place certificates of deposit for the nonpoint source pollution reduction project loan program under IC 13-18-22.

(b) "Program", for purposes of IC 13-18-21, refers to the drinking water revolving loan program established by IC 13-18-21-1. The term does not include the supplemental program.

(c) "Program", for purposes of IC 13-19-5, refers to the environmental remediation revolving loan program established by IC 13-19-5-1.

(d) "Program", for purposes of IC 13-23, refers to an underground storage tank release:

(1) detection;

(2) prevention; and

(3) correction;

program created in accordance with the requirements of IC 13-23 or IC 13-7-20 (before its repeal).

SECTION 6. IC 13-11-2-177.3, AS AMENDED BY P.L.14-2000,



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SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 177.3. "Public water system", for purposes of this chapter, **and IC 13-18-11, IC 13-18-21, and other environmental management laws**, has the meaning set forth in 42 U.S.C. 300f.

SECTION 7. IC 13-11-2-201 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 201. "Sewage disposal system", for purposes of **this chapter and IC 13-18-12**, means septic tanks, wastewater holding tanks, seepage pits, cesspools, privies, composting toilets, interceptors or grease traps, portable sanitary units, and other equipment, facilities, or devices used to:

- (1) store;
- (2) treat;
- (3) make inoffensive; or
- (4) dispose of;

human excrement or liquid carrying wastes of a domestic nature.

SECTION 8. IC 13-11-2-227, AS AMENDED BY P.L.132-1999, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 227. "Supplemental program", for purposes of IC 13-18-13 and IC 13-18-21, refers to:

- (1) the supplemental drinking water and wastewater assistance program established by IC 13-18-21-21; **and**
- (2) **use of the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22 to place certificates of deposit for the nonpoint source pollution reduction project loan program under IC 13-18-22.**

SECTION 9. IC 13-11-2-259 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 259. "Water distribution system", for purposes of IC 13-18-11 and environmental management laws, means that part of the **public** water ~~supply~~ system in which water is conveyed from the water treatment plant to the premises of the consumer.

SECTION 10. IC 13-11-2-264 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 264. "Water treatment plant", for purposes of IC 13-18-11 and environmental management laws, means that part of the **public** water ~~supply~~ system that provides the water or in some way alters the physical, chemical, or bacteriological quality of the water.

SECTION 11. IC 13-15-4-1, AS AMENDED BY P.L.138-2000, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as provided in sections 2, 3, and 6 of this chapter, the commissioner shall approve or deny an application filed with the department after July 1, 1995, within the following

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- 1 number of days:
- 2 (1) Three hundred sixty-five (365) days for an application
- 3 concerning the following:
- 4 (A) A new hazardous waste or solid waste landfill.
- 5 (B) A new hazardous waste or solid waste incinerator.
- 6 (C) A major modification of a solid waste landfill.
- 7 (D) A major modification of a solid waste incinerator.
- 8 (E) A new hazardous waste treatment or storage facility.
- 9 (F) A new Part B permit issued under 40 CFR 270 et seq. for
- 10 an existing hazardous waste treatment or storage facility.
- 11 (G) A Class 3 modification under 40 CFR 270.42 to a
- 12 hazardous waste landfill.
- 13 (2) Two hundred seventy (270) days for an application concerning
- 14 the following:
- 15 (A) A Class 3 modification under 40 CFR 270.42 of a
- 16 hazardous waste treatment or storage facility.
- 17 (B) A major ~~new~~ National Pollutant Discharge Elimination
- 18 System permit.
- 19 (3) One hundred eighty (180) days for an application concerning
- 20 the following:
- 21 (A) A new solid waste processing or recycling facility.
- 22 (B) A minor ~~new~~ National Pollutant Discharge Elimination
- 23 System individual permit.
- 24 (C) A permit concerning the land application of wastewater.
- 25 (4) One hundred fifty (150) days for an application concerning a
- 26 minor new National Pollutant Discharge Elimination System
- 27 general permit.
- 28 (5) One hundred twenty (120) days for an application concerning
- 29 a Class 2 modification under 40 CFR 270.42 to a hazardous waste
- 30 facility.
- 31 (6) Ninety (90) days for an application concerning the following:
- 32 (A) A minor modification to a solid waste landfill or
- 33 incinerator permit.
- 34 (B) A wastewater facility or water facility construction permit.
- 35 (7) The amount of time provided for in rules adopted by the air
- 36 pollution control board for an application concerning the
- 37 following:
- 38 (A) An air pollution construction permit that is subject to 326
- 39 IAC 2-2 and 326 IAC 2-3.
- 40 (B) An air pollution facility construction permit (other than as
- 41 defined in 326 IAC 2-2).
- 42 (C) Registration of an air pollution facility.

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(8) Sixty (60) days for an application concerning the following:

(A) A Class 1 modification under 40 CFR 270.42 requiring prior written approval, to a hazardous waste:

- (i) landfill;
- (ii) incinerator;
- (iii) treatment facility; or
- (iv) storage facility.

(B) Any other permit not specifically described in this section for which the application fee exceeds one hundred dollars (\$100) and for which a time frame has not been established under section 3 of this chapter.

SECTION 12. IC 13-15-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 12. **(a) For purposes of this section, if:**

**(1) the deadline for approval or denial of a permit application under section 1 of this chapter precedes July 1, 2003; and**

**(2) the commissioner does not approve or deny the permit application before the deadline;**

**the deadline for approval or denial is considered to be July 1, 2003.**

**(b) An applicant may not receive a refund of a permit application fee if:**

**(1) the permit application concerned the renewal of a permit;**

**(2) the expiration date of the permit for which renewal is sought is extended under IC 13-15-3-6; and**

**(3) the applicant applies in writing to the department for a refund.**

**(c) The amount of a refund under this section for a calendar year in which a fee is assessed under IC 13-18-20-13 is the amount determined in STEP FIVE of the following formula:**

**STEP ONE: Determine the later of:**

**(A) January 1 of that calendar year; and**

**(B) the deadline for approval or denial of the permit application under section 1 of this chapter if the deadline falls in that calendar year.**

**STEP TWO: Determine the earlier of:**

**(A) the date of approval or denial of the permit application under section 1 of this chapter if that date falls in that calendar year; and**

**(B) December 31 of that calendar year.**

**STEP THREE: Determine the number of days after the date determined under STEP ONE and before the date determined under STEP TWO.**

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**STEP FOUR: Multiply the amount determined under STEP THREE by the amount of the fee assessed in that calendar year under IC 13-18-20-13.**

**STEP FIVE: Multiply the product determined under STEP FOUR by seven one hundredths percent (.07%).**

SECTION 13. IC 13-15-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) This chapter applies to an application for a permit issued under IC 13-15-1 upon property:

(1) that is undeveloped; or

(2) for which a valid existing permit has not been issued.

(b) This chapter does not apply to an application for a permit issued under IC 13-15-1 if the permit is for the construction, installation, or modification of any of the following:

(1) A combined sewer.

(2) A sanitary sewer.

(3) A storm sewer.

(4) A public water ~~supply~~ system.

(5) A water main extension.

SECTION 14. IC 13-15-11-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. Before September 1 of each even-numbered year, the department shall report to the environmental quality service council:**

(1) the department's proposed distribution of funds among the programs referred to in section 1 of this chapter for the current state fiscal year;

(2) the department's rationale for the proposed distribution;

(3) any difference between:

(A) the proposed distribution; and

(B) the distribution made by the department in the immediately preceding state fiscal year; and

(4) the results of an independent audit of the correlation between:

(A) the distribution made by the department with respect to; and

(B) the department's actual expenses related to;

each program referred to in section 1 of this chapter in the immediately preceding state fiscal year.

SECTION 15. IC 13-18-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) When a vacancy in a position of operator occurs due to death, resignation, extended

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1 illness, or a similar cause, the vacancy may be filled for a period not  
2 exceeding one (1) year by an operator with a provisional certification.

3 (b) On written request of the governing body or owner of a  
4 wastewater or **public** water supply system, the commissioner may issue  
5 a provisional certification under subsection (a) to a person with the  
6 required education and experience qualifications, until the person has  
7 had an opportunity to qualify by examination and be certified under  
8 this chapter.

9 SECTION 16. IC 13-18-13-3 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. **(a)** Money in the  
11 fund may be used to do the following:

12 (1) Provide loans or other financial assistance to political  
13 subdivisions for:

14 **(A)** the planning, designing, construction, renovation,  
15 improvement, or expansion of wastewater collection and  
16 treatment systems and other activities necessary or convenient  
17 to complete these tasks; **or**

18 **(B) a nonpoint source pollution reduction project.**

19 (2) Pay the cost of administering the fund and the program.

20 **(3) Placement of certificates of deposit for the nonpoint source**  
21 **pollution reduction project loan program under IC 13-18-22.**

22 **(4)** Conduct all other activities that are permitted by the federal  
23 Clean Water Act.

24 **(b) For each state fiscal year, the budget agency may use not**  
25 **more than three percent (3%) of the total amount estimated by the**  
26 **budget agency to be available for financial assistance from the fund**  
27 **for the year for the combined purposes of:**

28 **(1) providing loans or other financial assistance to political**  
29 **subdivisions for nonpoint source pollution reduction projects;**  
30 **and**

31 **(2) placing certificates of deposit for the nonpoint source**  
32 **pollution reduction project loan program under IC 13-18-22.**

33 **(c) Amounts estimated to be available for purposes of subsection**  
34 **(b) for any year that remain unused at the end of the year may be**  
35 **carried forward for use in any subsequent state fiscal year.**

36 SECTION 17. IC 13-18-13-10 IS AMENDED TO READ AS  
37 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The budget agency  
38 may make loans or provide other financial assistance from the fund to  
39 or for the benefit of a political subdivision under the following  
40 conditions:

41 (1) The loan or other financial assistance must be used:

42 **(A)** for planning, designing, constructing, renovating,

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improving, or expanding wastewater collection and treatment systems and other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan or other financial assistance during construction and for a reasonable period after the completion of construction; ~~or~~

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Any other costs or expenses necessary or incident to the loan, other financial assistance, or the administration of the fund and the program; **or**

**(E) for nonpoint source pollution reduction projects.**

(2) Subject to section 15 of this chapter, upon recommendation of the budget agency the state board of finance shall establish the interest rate or parameters for establishing the interest rate on each loan, including parameters for establishing the amount of interest subsidies.

(3) The budget agency shall establish the terms and conditions that the budget agency considers necessary or convenient to:

(A) make loans; or

(B) provide other financial assistance under this chapter.

SECTION 18. IC 13-18-13-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) Notwithstanding any other law, a political subdivision may borrow money from the budget agency by negotiating a loan or other financial assistance directly and without complying with requirements for the competitive sale of bonds, notes, or other obligations or evidences of indebtedness. A political subdivision shall observe any existing contractual commitments to bondholders or other persons when entering into a financial assistance agreement.

(b) Notwithstanding any other law, a political subdivision may issue and sell its notes, the principal and accrued interest on which shall be paid with proceeds from the issuance of its bonds or other available money at the time the notes are due. The notes must be issued pursuant to a resolution or ordinance and the proceeds must be used to carry out the purposes specified in this chapter.

(c) A political subdivision that issues notes under subsection (b) or IC 4-23-21-13 (before its repeal) may renew or extend the notes periodically on terms agreed to with the budget agency, and the budget



1 agency may purchase and sell the renewed or extended notes. Accrued  
 2 interest on the date of renewal or extension may be paid or added to the  
 3 principal amount of the note being renewed or extended.

4 (d) The notes issued by a political subdivision under subsection (b),  
 5 including any renewals or extensions, must mature:

6 (1) in the amounts; and

7 (2) at the times not exceeding four (4) years from the date of  
 8 original issuance;

9 that are agreed to by the political subdivision and the budget agency.

10 (e) Compliance with subsection (b) constitutes full authority for a  
 11 political subdivision to issue its notes and sell the notes ~~to the~~  
 12 ~~department and the budget agency, for the benefit of the program,~~  
 13 and the political subdivision is not required to comply with any other  
 14 law applicable to the authorization, approval, issuance, and sale of its  
 15 notes. These notes are:

16 (1) valid and binding obligations of the political subdivision;

17 (2) enforceable in accordance with the terms of the notes; and

18 (3) payable solely from the sources specified in the resolution or  
 19 ordinance authorizing the issuance of the notes.

20 (f) If the political subdivision issues bonds, all or part of the  
 21 proceeds of which will be used to pay the notes issued under subsection  
 22 (b), neither:

23 (1) the provisions of this section; nor

24 (2) the actual issuance by a political subdivision of notes under  
 25 subsection (b);

26 relieves the political subdivision of the obligation to comply with the  
 27 statutory requirements for the issuance of bonds.

28 SECTION 19. IC 13-18-16-1 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A permit is  
 30 required for the construction, installation, or modification of:

31 (1) sources;

32 (2) facilities;

33 (3) equipment; or

34 (4) devices;

35 of a public water ~~supply~~, **system**, including water distribution systems.

36 (b) Plans and specifications for the construction, installation, or  
 37 modification of sources, facilities, equipment, or devices of a public  
 38 water ~~supply~~ **system** must be submitted to the commissioner with a  
 39 permit application. The plans and specifications must be complete and  
 40 of sufficient detail to show all proposed construction, changes, or  
 41 modifications that may affect the sanitary quality, chemical quality, or  
 42 adequacy of the public water ~~supply~~ **system** involved. The applicant



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1 shall supply any additional data or material considered appropriate by  
2 the commissioner to a review of the plans and specifications.

3 (c) Unless otherwise provided in rules adopted under section 8(b)  
4 of this chapter, plans and specifications must be submitted to the  
5 commissioner with the permit application for water distribution  
6 systems.

7 (d) Construction, installation, or modification of a public water  
8 ~~supply system~~ may not begin until the commissioner has issued a  
9 permit under subsection (a).

10 (e) In determining whether to issue a permit under this section, the  
11 commissioner shall proceed under IC 13-15.

12 SECTION 20. IC 13-18-16-5 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. Plans and  
14 specifications submitted to the commissioner under section 1 of this  
15 chapter shall be approved if it is determined that the plans and  
16 specifications meet all of the following conditions:

17 (1) The plans and specifications are satisfactory with respect to  
18 the following:

19 (A) Sanitary quality, including chlorination, if required.

20 (B) Chemical quality.

21 (C) Adequacy of the water supply.

22 (2) The plans and specifications meet the requirements of any  
23 rules or standards adopted by the board under section 8 of this  
24 chapter governing the location, design, construction, and  
25 operation and maintenance of:

26 (A) public water ~~supply system~~ installations; and

27 (B) changes or additions to public water ~~supply system~~  
28 installations.

29 SECTION 21. IC 13-18-16-6 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) All public water  
31 ~~supplies systems~~ shall be continuously operated and maintained so that  
32 water is:

33 (1) safe in quality;

34 (2) clean and adequate in quantity; and

35 (3) chemically satisfactory for ordinary domestic consumption.

36 (b) The person responsible for the operation of a public water  
37 ~~supply system~~ shall take all measures that are necessary to carry out  
38 the requirements of subsection (a) so as to protect the quality and  
39 quantity of the raw water supply from actual or threatened  
40 contamination. These measures include the relocation of the point of  
41 raw water collection to a site that is not contaminated or threatened by  
42 contamination.



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(c) The failure to carry out a duty set forth in subsection (a) or (b) constitutes a violation subject to the penalties imposed under this chapter. Each day a violation occurs under this section constitutes a separate violation.

SECTION 22. IC 13-18-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. A person responsible for the operation of public water ~~supplies~~ **systems** shall submit:

(1) samples of water for analysis; and

(2) reports of operation pertaining to the sanitary quality, chemical quality, or adequacy of **water supplied by those** ~~supplies; systems;~~

that the commissioner requests. The operator certified under IC 13-18-11 must verify under oath the reports of operation.

SECTION 23. IC 13-18-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) The board shall adopt rules under IC 4-22-2 and IC 13-14-9 establishing requirements for the issuance of permits to control public water ~~supplies; systems,~~ including the following:

(1) Permits for the construction, installation, or modification of facilities, equipment, or devices for any public water ~~supply;~~ **system.**

(2) Permits for the operation of sources, facilities, equipment, or devices for any public water ~~supply;~~ **system.**

(b) The board shall adopt a permit by rule for water main extensions (as defined in 327 IAC 8-3-1) to satisfy the permit requirement in section 1(a) of this chapter.

SECTION 24. IC 13-18-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The department shall conduct a program of continuing surveillance and inspection of public water ~~supplies~~ **systems** and technical assistance in connection with public water ~~supplies;~~ **systems.**

SECTION 25. IC 13-18-16-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The department shall encourage and advise units of local government in developing programs and facilities for public water ~~supplies;~~ **systems.**

SECTION 26. IC 13-18-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. A person may not:

(1) install or contract for the construction of any public water ~~supply~~ **system** facilities, including water purification or treatment works; or

(2) make any material change in any public water ~~supply~~ **system** facilities;



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1 until a permit has been issued by the commissioner.

2 SECTION 27. IC 13-18-16-13 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) The  
4 commissioner may investigate and determine whether any public water  
5 **supply system** is **providing water that is** impure and dangerous to  
6 **public** health. If the commissioner determines that **a public the** water  
7 supply:

8 (1) is impure and dangerous to public health; or

9 (2) is not sufficiently purified because of improper construction,  
10 inadequate size, or inefficient management or operation;  
11 the commissioner may under IC 13-30-3-10 through IC 13-30-3-12  
12 order that the **public** water supply be made pure and safe to health.

13 (b) If the commissioner determines under subsection (a) that a  
14 **public** water supply is impure and dangerous to public health because  
15 of inefficient management or operation **of the public water system**  
16 **providing the water**, the commissioner may order the person  
17 responsible for the public water **supply system** to appoint, not later  
18 than fifteen (15) days after the commissioner's determination, a  
19 competent person to take charge of and superintend the operation of the  
20 water **supply system** plant or works.

21 (c) The commissioner must approve the person appointed in  
22 response to the commissioner's order under subsection (b). However,  
23 the person responsible for the water **supply system** plant or works shall  
24 pay the salary of the person appointed.

25 SECTION 28. IC 13-18-17-6 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The board shall  
27 adopt rules under IC 4-22-2 to establish protection zones around  
28 community water system wells.

29 (b) The state agencies referred to in section 5(b) of this chapter may  
30 not permit activities within the zones established under subsection (a)  
31 that would violate the rules or interfere with the purposes of the rules.

32 (c) The department shall establish and operate a program of  
33 education and assistance to local officials in developing and managing  
34 well field protection zones.

35 (d) The rules adopted under subsection (a) or any zoning under  
36 IC 36-7 to establish protection zones around community water system  
37 wells may not restrict any activity by:

38 (1) an owner of land;

39 (2) a mineral owner; or

40 (3) a mineral leaseholder of record;

41 unless the owner or leaseholder is sent written notice of, and has an  
42 opportunity to be heard on, the establishment of the zone and the

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1 construction of the community **public** water ~~supply~~ system that caused  
2 the establishment of the zone.

3 (e) A person that requests a permit for construction of a community  
4 water system or establishment of a well field protection zone is  
5 responsible for any notice requirements the board establishes.

6 SECTION 29. IC 13-18-20-9 IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. For public water  
8 ~~supply system~~ permits, the annual base fee per facility is:

9 (1) one thousand dollars (\$1,000) for a major permit; and

10 (2) four hundred dollars (\$400) for a minor permit;

11 plus the following annual discharge flow fee per facility based on  
12 projected daily average flow in MGD as set forth in a facility NPDES  
13 permit:

14 Projected Daily Average

15 Flow in MGD	16 Fee
17 .001 - .05	\$240
18 .051 - .1	\$360
19 .101 - .2	\$840
20 .201 - .3	\$1,200
21 .301 - .5	\$1,680
22 .501 - 1.0	\$2,060
23 1.001 - 2.0	\$3,600
24 2.001 - 5.0	\$5,400
25 5.001 - 10.0	\$8,400
26 10.001 - 15.0	\$12,000
27 15.001 - 30.0	\$16,800
28 30.001 - 50.0	\$22,800
29 50.001 - 100.0	\$28,800
> 100.0	\$34,800

30 SECTION 30. IC 13-18-21-3, AS AMENDED BY P.L.132-1999,  
31 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2002]: Sec. 3. (a) Money in the fund may be used to do the  
33 following:

34 (1) Provide loans or other financial assistance to participants for  
35 the:

36 (A) planning;

37 (B) designing;

38 (C) construction;

39 (D) renovation;

40 (E) improvement;

41 (F) expansion; or

42 (G) any combination of clauses (A) through (F);



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for public water systems that will facilitate compliance with national primary drinking water regulations applicable to public water systems under the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.) or otherwise significantly further the health protection objectives of the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.) and other activities necessary or convenient to complete these tasks.

(2) Except as provided in the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.), pay the cost of administering the fund and the program.

(3) Conduct all other activities that are allowed by the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.).

(b) Notwithstanding section 2(g) of this chapter, if an adequate state match is available, the department and the budget agency ~~shall~~ **may** use **not more than** two percent (2%) of the funds allotted to the state under 42 U.S.C. 300j-12 to provide technical assistance to participants for public water systems serving not more than ten thousand (10,000) persons in Indiana. The department and the budget agency may jointly contract with a person or persons to provide the technical assistance. Funds used under this subsection may not be used for enforcement actions.

(c) To the extent permitted by this chapter, fifteen percent (15%) of the amount credited to the fund in a state fiscal year shall be available solely for providing loan assistance to participants for public water systems regularly serving less than ten thousand (10,000) persons in Indiana to the extent that the money can be obligated for eligible projects under the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.).

(d) To avoid the loss of money allotted to the state under 42 U.S.C. 300j-12 et seq., the budget agency and the department shall develop and implement a strategy to assist participants in acquiring and maintaining technical, managerial, and financial capacity as contemplated by 42 U.S.C. 300g-9. This is all the legal authority required by the state for the budget agency and the department to ensure that all new community water systems and new nontransient, noncommunity water systems, as contemplated by the federal Safe Drinking Water Act (42 U.S.C. 300f et seq.), commencing operations after October 1, 1999, demonstrate technical, managerial, and financial capacity with respect to each federal primary drinking water regulation in effect on the date operations commence. The department has primary responsibility to carry out this subsection.

(e) This chapter does not require the budget agency to provide a

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1 loan or other financial assistance to any participant that would cause  
 2 any bonds or other obligations issued to finance the program to lose  
 3 their exemption from federal income taxation.

4 SECTION 31. IC 13-18-21-19 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) Notwithstanding  
 6 any other law, a political subdivision may borrow money under this  
 7 chapter by negotiating a loan or other financial assistance directly and  
 8 without complying with requirements for the competitive sale of bonds,  
 9 notes, or other obligations or evidences of indebtedness. A political  
 10 subdivision shall observe any existing contractual commitments to  
 11 bondholders or other persons when entering into a financial assistance  
 12 agreement.

13 (b) Notwithstanding any other law, a political subdivision may issue  
 14 and sell notes, the principal and accrued interest on which shall be paid  
 15 with proceeds from the issuance of bonds or other available money at  
 16 the time the notes are due. The notes must be issued under a resolution  
 17 or ordinance and the proceeds must be used to carry out the purposes  
 18 specified in this chapter.

19 (c) A political subdivision that issues notes under subsection (b)  
 20 may renew or extend the notes periodically on terms agreed to with the  
 21 budget agency, and the budget agency may purchase and sell the  
 22 renewed or extended notes. Accrued interest on the date of renewal or  
 23 extension may be paid or added to the principal amount of the note  
 24 being renewed or extended.

25 (d) The notes issued by a political subdivision under subsection (b),  
 26 including any renewals or extensions, must mature:

27 (1) in the amounts; and

28 (2) at the times not exceeding four (4) years from the date of  
 29 original issuance;

30 that are agreed to by the political subdivision and the budget agency.

31 (e) Compliance with subsection (b) constitutes full authority for a  
 32 political subdivision to issue notes and sell the notes ~~to the department~~  
 33 ~~and the budget agency;~~ **for the benefit of the program,** and the  
 34 political subdivision is not required to comply with any other law  
 35 applicable to the authorization, approval, issuance, and sale of the  
 36 notes. The notes are:

37 (1) valid and binding obligations of the political subdivision;

38 (2) enforceable in accordance with the terms of the notes; and

39 (3) payable solely from the sources specified in the resolution or  
 40 ordinance authorizing the issuance of the notes.

41 (f) If the political subdivision issues bonds, all or part of the  
 42 proceeds of which will be used to pay notes issued under subsection

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(b), the:

(1) provisions of this section; or

(2) actual issuance by a political subdivision of notes under subsection (b);

do not relieve the political subdivision of the obligation to comply with the statutory requirements for the issuance of bonds.

SECTION 32. IC 13-18-21-23, AS AMENDED BY P.L.55-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 23. **(a)** Money in the supplemental fund may be used to do the following:

(1) Provide grants, loans, or other financial assistance to or for the benefit of participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of public water systems and other activities necessary or convenient to complete these tasks, whether or not those other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(2) Provide grants, loans, or other financial assistance to or for the benefit of political subdivisions for:

**(A)** the planning, designing, acquisition, construction, renovation, improvement, or expansion of wastewater or storm water collection and treatment systems;

**(B) nonpoint source pollution reduction projects; and**

**(C)** other activities necessary or convenient to complete these tasks, whether or not those other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(3) Provide grants to political subdivisions for tasks associated with the development and preparation of:

(A) long term control plans;

(B) use attainability analyses; and

(C) storm water management programs.

(4) Pay the cost of administering the supplemental fund and the supplemental program.

**(5) Place certificates of deposit for the nonpoint source pollution reduction project loan program under IC 13-18-22.**

**(6)** Conduct all other activities that are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

**(b) For any state fiscal year, the budget agency may use not more than three percent (3%) of the amount estimated by the budget agency to be available for financial assistance from the supplemental fund for the year for the combined purposes of:**



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(1) providing loan assistance to political subdivisions for nonpoint source pollution reduction projects; and

(2) placing certificates of deposit for the nonpoint source pollution reduction project loan program under IC 13-18-22.

(c) Amounts estimated to be available for purposes of subsection (b) for any year that remain unused at the end of the year may be carried forward for use in any subsequent state fiscal year.

SECTION 33. IC 13-18-21-25, AS AMENDED BY P.L.55-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 25. (a) The budget agency may make grants or loans or provide other financial assistance from the supplemental fund for the benefit of a participant under the following conditions:

(1) A grant, loan, or other financial assistance may be used:

(A) for planning, designing, acquiring, constructing, renovating, improving, or expanding public water systems, and other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) The budget agency must establish the terms and conditions that the budget agency considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

(b) In addition to its powers under subsection (a), the budget agency may also make grants or loans or provide other financial assistance from the supplemental fund to or for the benefit of a political subdivision under the following conditions:

(1) A grant, loan, or other financial assistance may be used:

(A) for planning, designing, acquiring, constructing, renovating, improving, or expanding wastewater or storm water collection and treatment systems **and nonpoint source pollution reduction projects** and other activities necessary or

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convenient to complete ~~these~~ the tasks referred to in this clause.

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) A grant may be used for tasks associated with the development and preparation of:

(A) long term control plans;

(B) use attainability analyses; and

(C) storm water management programs.

(3) The budget agency must establish the terms and conditions that the budget agency considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

SECTION 34. IC 13-18-22 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

**Chapter 22. Nonpoint Source Pollution Reduction Project Loan Program**

**Sec. 1. (a)** A financial institution may apply to the budget agency for eligibility to receive certificates of deposit under section 6 of this chapter. Upon receipt of the application, the budget agency shall:

(1) review the applicant's ability to comply with this chapter; and

(2) based on the review, accept or reject the application.

**(b)** A financial institution approved to receive certificates of deposit under section 6 of this chapter shall accept and review applications for loans under section 2 of this chapter from private entities for nonpoint source pollution reduction projects. A financial institution shall apply usual lending standards to determine the credit worthiness of each loan applicant and may:

(1) reject a loan application; or



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(2) preliminarily approve a loan application, subject to final approval by the budget agency under section 6 of this chapter.

Sec. 2. (a) A private entity may apply to a financial institution approved under section 1 of this chapter for a loan for a nonpoint source pollution reduction project.

(b) On its loan application under subsection (a), a private entity shall:

(1) identify the nonpoint source pollution reduction project for which the loan is intended; and

(2) certify that the reduced rate loan will be used exclusively for that project.

Sec. 3. A financial institution that receives a loan application under section 2 of this chapter shall forward the loan application to:

(1) the budget agency in the form and manner prescribed by the budget agency; and

(2) the department in the form and manner prescribed by the department.

Sec. 4. The department shall recommend to the budget agency a priority ranking system for approving loans under this chapter to achieve optimum water quality consistent with the water quality goals of the state and the federal Clean Water Act.

Sec. 5. The budget agency shall:

(1) considering the recommendation of the department under section 4 of this chapter, develop a priority ranking system for approving loans under this chapter; and

(2) use the priority ranking system developed under subdivision (1) in approving loans under this chapter.

Sec. 6. (a) The budget agency may accept or reject:

(1) a loan application received under section 3 of this chapter; or

(2) any part of the application.

(b) Upon acceptance of a loan application received under section 3 of this chapter or any part of the application, the budget agency shall place a certificate of deposit with the financial institution at three percent (3%) below current market rates, as determined and calculated by the budget agency. The budget agency shall transfer funds for the certificate of deposit from:

(1) the wastewater revolving loan fund established by IC 13-18-13-2; or

(2) the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22.



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(c) The budget agency may place a certificate of deposit with a financial institution before acceptance of a loan application.

(d) The financial institution in which a certificate of deposit is placed under this section shall enter into a deposit agreement with the budget agency that includes:

(1) the period in which the financial institution is to lend funds as provided in section 7 of this chapter upon the placement of the certificate of deposit;

(2) the interest payment schedule determined by the budget agency;

(3) a provision for the certificate of deposit to be placed for a maturity of not more than two (2) years, as determined by the budget agency;

(4) a provision for the certificate of deposit to be renewed for up to two (2) years at the option of the budget agency; and

(5) any other provisions required by the budget agency.

Sec. 7. (a) Upon the placement of a certificate of deposit with a financial institution under section 6 of this chapter, the financial institution shall lend the funds received for the certificate of deposit to each approved private entity listed in the loan application in accordance with the deposit agreement required by section 6 of this chapter. The loan shall be at three percent (3%) below current market rates, as determined and calculated by the budget agency.

(b) A financial institution in which a certificate of deposit is placed under section 6 of this chapter shall certify compliance with this chapter to the budget agency in the form and manner prescribed by the budget agency.

Sec. 8. The budget agency shall:

(1) take all steps necessary to implement the loan program under this chapter; and

(2) monitor compliance of financial institutions and loan recipients.

Sec. 9. The budget agency shall report annually before January 10 on the loan program under this chapter for the preceding calendar year to:

(1) the governor; and

(2) the legislative council.

Sec. 10. (a) The state and the budget agency are not liable to any financial institution in any manner for payment of the principal or interest on the loan to a private entity under this chapter.

(b) Any delay in payments or default on the part of a private



entity does not affect the deposit agreement under section 6 of this chapter.

SECTION 35. IC 16-41-27-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. A mobile home park shall provide a water supply through the use of a public water supply system if the water supply is reasonably available within a reasonable distance from the mobile home park. A mobile home park is not required to use a public water supply system if the water system is more than two thousand (2,000) feet from the mobile home park. If a public water supply system is not available, water shall be provided by a system approved by the environmental commissioner under rules adopted by the water pollution control board.

SECTION 36. IC 16-41-27-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 22. (a) The construction of a new mobile home park or alteration of an existing mobile home park shall be made only after plans for the proposed construction or alteration have been forwarded to and approved by the state department.

(b) A public water supply system may not be constructed or altered in a new or existing mobile home park until plans for the construction or alteration have been forwarded to and approved by the environmental commissioner under rules adopted by the water board.

(c) A sewage collection and disposal system may not be constructed or altered in a new or existing mobile home park until:

(1) plans for construction or alteration of the sewage collection system and any septic tank absorption field have been forwarded to and approved by the state department under rules adopted by the state department; and

(2) plans for construction or alteration of any sewage disposal system other than a septic tank absorption field have been forwarded to and approved by the environmental commissioner under rules adopted by the water board.

SECTION 37. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: IC 13-11-2-177; IC 13-11-2-263.

SECTION 38. [EFFECTIVE JULY 1, 2002] (a) **The budget agency and the department of environmental management shall jointly adopt rules before January 1, 2004, to implement IC 13-18-22, as added by this act.**

(b) **This SECTION expires January 1, 2004.**

SECTION 39. **An emergency is declared for this act.**



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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1329, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-21.5-3-4, AS AMENDED BY P.L.54-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Notice must be given under this section concerning the following:

- (1) The grant, renewal, restoration, transfer, or denial of a license by the bureau of motor vehicles under IC 9.
- (2) The grant, renewal, restoration, transfer, or denial of a noncommercial fishing or hunting license by the department of natural resources under IC 14.
- (3) The grant, renewal, restoration, transfer, or denial of a license by a board described in IC 25-1-8-1.
- (4) The grant, renewal, suspension, revocation, or denial of a certificate of registration under IC 25-5.2.
- (5) A personnel decision by an agency.
- (6) The grant, renewal, restoration, transfer, or denial of a license by the department of environmental management or the commissioner of the department under the following:

(A) Environmental management laws (as defined in IC 13-11-2-71) for the construction, installation, or modification of:

- (i) sewers and appurtenant facilities, devices, or structures for the collection and transport of sewage (as defined in IC 13-11-2-200) or storm water to a storage or treatment facility or to a point of discharge into the environment; or
- (ii) pipes, pumps, and appurtenant facilities, devices, or structures that are part of a public water ~~supply system~~ **system** (as defined in ~~IC 13-11-2-177~~ **IC 13-11-2-177.3**) and that are used to transport water to a storage or treatment facility or to distribute water to the users of the public water ~~supply~~ **system**;

where a federal, state, or local governmental body has given or will give public notice and has provided or will provide an opportunity for public participation concerning the activity that is the subject of the license.

(B) Environmental management laws (as defined in

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IC 13-11-2-71) for the registration of a device or a piece of equipment.

(C) IC 13-17-6-1 for a person to engage in the inspection, management, and abatement of asbestos containing material.

(D) IC 13-18-11 for a person to operate a wastewater treatment plant.

(E) IC 13-15-10 for a person to operate the following:

- (i) A solid waste incinerator or a waste to energy facility.
- (ii) A land disposal site.
- (iii) A facility described under IC 13-15-1-3 whose operation could have an adverse impact on the environment if not operated properly.

(F) IC 13-20-4 for a person to operate a municipal waste collection and transportation vehicle.

(b) When an agency issues an order described by subsection (a), the agency shall give a written notice of the order to the following persons:

- (1) Each person to whom the order is specifically directed.
- (2) Each person to whom a law requires notice to be given.

A person who is entitled to notice under this subsection is not a party to any proceeding resulting from the grant of a petition for review under section 7 of this chapter unless the person is designated as a party on the record of the proceeding.

(c) The notice must include the following:

- (1) A brief description of the order.
- (2) A brief explanation of the available procedures and the time limit for seeking administrative review of the order under section 7 of this chapter.
- (3) Any information required by law.

(d) An order under this section is effective when it is served. However, if a timely and sufficient application has been made for renewal of a license described by subsection (a)(3) and review is granted under section 7 of this chapter, the existing license does not expire until the agency has disposed of the proceeding under this chapter concerning the renewal, unless a statute other than this article provides otherwise. This subsection does not preclude an agency from issuing under IC 4-21.5-4 an emergency or other temporary order with respect to the license.

(e) If a petition for review of an order described in subsection (a) is filed within the period set by section 7 of this chapter and a petition for stay of effectiveness of the order is filed by a party or another person who has a pending petition for intervention in the proceeding, an administrative law judge shall, as soon as practicable, conduct a

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preliminary hearing to determine whether the order should be stayed in whole or in part. The burden of proof in the preliminary hearing is on the person seeking the stay. The administrative law judge may stay the order in whole or in part. The order concerning the stay may be issued after an order described in subsection (a) becomes effective. The resulting order concerning the stay shall be served on the parties and any person who has a pending petition for intervention in the proceeding. It must include a statement of the facts and law on which it is based.

SECTION 2. IC 13-11-2-108, AS AMENDED BY P.L.72-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 108. "Industrial permit", for purposes of IC 13-14-8-11.6 and IC 13-18-20, refers to a National Pollutant Discharge Elimination System (NPDES) permit other than a permit issued to any of the following:

- (1) a municipal facility;
- (2) a state facility;
- (3) a federal facility;
- (4) a semipublic facility;
- (5) a public water ~~supply~~ **system** facility; or
- (6) a facility for storm water discharge."

Page 2, between lines 27 and 28, begin a new paragraph and insert: "SECTION 6. IC 13-11-2-177.3, AS AMENDED BY P.L.14-2000, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 177.3. "Public water system", for purposes of this chapter, ~~and IC 13-18-11, IC 13-18-21, and other environmental management laws,~~ has the meaning set forth in 42 U.S.C. 300f."

Page 3, between lines 6 and 7, begin a new paragraph and insert: "SECTION 9. IC 13-11-2-259 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 259. "Water distribution system", for purposes of IC 13-18-11 and environmental management laws, means that part of the **public** water ~~supply~~ system in which water is conveyed from the water treatment plant to the premises of the consumer.

SECTION 10. IC 13-11-2-264 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 264. "Water treatment plant", for purposes of IC 13-18-11 and environmental management laws, means that part of the **public** water ~~supply~~ system that provides the water or in some way alters the physical, chemical, or bacteriological quality of the water.

SECTION 11. IC 13-15-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) This chapter

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applies to an application for a permit issued under IC 13-15-1 upon property:

- (1) that is undeveloped; or
- (2) for which a valid existing permit has not been issued.

(b) This chapter does not apply to an application for a permit issued under IC 13-15-1 if the permit is for the construction, installation, or modification of any of the following:

- (1) A combined sewer.
- (2) A sanitary sewer.
- (3) A storm sewer.
- (4) A public water ~~supply~~ **system**.
- (5) A water main extension.

SECTION 12. IC 13-18-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) When a vacancy in a position of operator occurs due to death, resignation, extended illness, or a similar cause, the vacancy may be filled for a period not exceeding one (1) year by an operator with a provisional certification.

(b) On written request of the governing body or owner of a wastewater or **public water supply system**, the commissioner may issue a provisional certification under subsection (a) to a person with the required education and experience qualifications, until the person has had an opportunity to qualify by examination and be certified under this chapter."

Page 3, delete lines 34 through 42.

Delete page 4.

Page 5, delete lines 32 through 42.

Page 7, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 16. IC 13-18-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A permit is required for the construction, installation, or modification of:

- (1) sources;
- (2) facilities;
- (3) equipment; or
- (4) devices;

of a public water ~~supply~~ **system**, including water distribution systems.

(b) Plans and specifications for the construction, installation, or modification of sources, facilities, equipment, or devices of a public water ~~supply~~ **system** must be submitted to the commissioner with a permit application. The plans and specifications must be complete and of sufficient detail to show all proposed construction, changes, or modifications that may affect the sanitary quality, chemical quality, or adequacy of the public water ~~supply~~ **system** involved. The applicant

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shall supply any additional data or material considered appropriate by the commissioner to a review of the plans and specifications.

(c) Unless otherwise provided in rules adopted under section 8(b) of this chapter, plans and specifications must be submitted to the commissioner with the permit application for water distribution systems.

(d) Construction, installation, or modification of a public water ~~supply~~ **system** may not begin until the commissioner has issued a permit under subsection (a).

(e) In determining whether to issue a permit under this section, the commissioner shall proceed under IC 13-15.

SECTION 17. IC 13-18-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. Plans and specifications submitted to the commissioner under section 1 of this chapter shall be approved if it is determined that the plans and specifications meet all of the following conditions:

(1) The plans and specifications are satisfactory with respect to the following:

(A) Sanitary quality, including chlorination, if required.

(B) Chemical quality.

(C) Adequacy of the water supply.

(2) The plans and specifications meet the requirements of any rules or standards adopted by the board under section 8 of this chapter governing the location, design, construction, and operation and maintenance of:

(A) public water ~~supply~~ **system** installations; and

(B) changes or additions to public water ~~supply~~ **system** installations.

SECTION 18. IC 13-18-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) All public water ~~supplies~~ **systems** shall be continuously operated and maintained so that water is:

(1) safe in quality;

(2) clean and adequate in quantity; and

(3) chemically satisfactory for ordinary domestic consumption.

(b) The person responsible for the operation of a public water ~~supply~~ **system** shall take all measures that are necessary to carry out the requirements of subsection (a) so as to protect the quality and quantity of the raw water supply from actual or threatened contamination. These measures include the relocation of the point of raw water collection to a site that is not contaminated or threatened by contamination.



(c) The failure to carry out a duty set forth in subsection (a) or (b) constitutes a violation subject to the penalties imposed under this chapter. Each day a violation occurs under this section constitutes a separate violation.

SECTION 19. IC 13-18-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. A person responsible for the operation of public water ~~supplies~~ **systems** shall submit:

- (1) samples of water for analysis; and
- (2) reports of operation pertaining to the sanitary quality, chemical quality, or adequacy of **water supplied by those supplies; systems;**

that the commissioner requests. The operator certified under IC 13-18-11 must verify under oath the reports of operation.

SECTION 20. IC 13-18-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) The board shall adopt rules under IC 4-22-2 and IC 13-14-9 establishing requirements for the issuance of permits to control public water ~~supplies; systems,~~ including the following:

- (1) Permits for the construction, installation, or modification of facilities, equipment, or devices for any public water ~~supply:~~ **system.**
- (2) Permits for the operation of sources, facilities, equipment, or devices for any public water ~~supply:~~ **system.**

(b) The board shall adopt a permit by rule for water main extensions (as defined in 327 IAC 8-3-1) to satisfy the permit requirement in section 1(a) of this chapter.

SECTION 21. IC 13-18-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The department shall conduct a program of continuing surveillance and inspection of public water ~~supplies systems~~ and technical assistance in connection with public water ~~supplies:~~ **systems.**

SECTION 22. IC 13-18-16-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The department shall encourage and advise units of local government in developing programs and facilities for public water ~~supplies:~~ **systems.**

SECTION 23. IC 13-18-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. A person may not:

- (1) install or contract for the construction of any public water ~~supply system~~ facilities, including water purification or treatment works; or
- (2) make any material change in any public water ~~supply system~~ facilities;



until a permit has been issued by the commissioner.

SECTION 24. IC 13-18-16-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) The commissioner may investigate and determine whether any public water ~~supply system~~ is **providing water that is** impure and dangerous to ~~public~~ health. If the commissioner determines that ~~a public the~~ water supply:

- (1) is impure and dangerous to public health; or
- (2) is not sufficiently purified because of improper construction, inadequate size, or inefficient management or operation;

the commissioner may under IC 13-30-3-10 through IC 13-30-3-12 order that the ~~public~~ water supply be made pure and safe to health.

(b) If the commissioner determines under subsection (a) that a ~~public~~ water supply is impure and dangerous to public health because of inefficient management or operation **of the public water system providing the water**, the commissioner may order the person responsible for the public water ~~supply system~~ to appoint, not later than fifteen (15) days after the commissioner's determination, a competent person to take charge of and superintend the operation of the water ~~supply system~~ plant or works.

(c) The commissioner must approve the person appointed in response to the commissioner's order under subsection (b). However, the person responsible for the water ~~supply system~~ plant or works shall pay the salary of the person appointed.

SECTION 25. IC 13-18-17-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The board shall adopt rules under IC 4-22-2 to establish protection zones around community water system wells.

(b) The state agencies referred to in section 5(b) of this chapter may not permit activities within the zones established under subsection (a) that would violate the rules or interfere with the purposes of the rules.

(c) The department shall establish and operate a program of education and assistance to local officials in developing and managing well field protection zones.

(d) The rules adopted under subsection (a) or any zoning under IC 36-7 to establish protection zones around community water system wells may not restrict any activity by:

- (1) an owner of land;
- (2) a mineral owner; or
- (3) a mineral leaseholder of record;

unless the owner or leaseholder is sent written notice of, and has an opportunity to be heard on, the establishment of the zone and the

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construction of the community **public** water ~~supply~~ system that caused the establishment of the zone.

(e) A person that requests a permit for construction of a community water system or establishment of a well field protection zone is responsible for any notice requirements the board establishes.

SECTION 26. IC 13-18-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. For public water ~~supply system~~ permits, the annual base fee per facility is:

(1) one thousand dollars (\$1,000) for a major permit; and

(2) four hundred dollars (\$400) for a minor permit;

plus the following annual discharge flow fee per facility based on projected daily average flow in MGD as set forth in a facility NPDES permit:

Projected Daily Average

Flow in MGD	Fee
.001 - .05	\$240
.051 - .1	\$360
.101 - .2	\$840
.201 - .3	\$1,200
.301 - .5	\$1,680
.501 - 1.0	\$2,060
1.001 - 2.0	\$3,600
2.001 - 5.0	\$5,400
5.001 - 10.0	\$8,400
10.001 - 15.0	\$12,000
15.001 - 30.0	\$16,800
30.001 - 50.0	\$22,800
50.001 - 100.0	\$28,800
> 100.0	\$34,800".

Page 7, line 30, reset in roman "department and the".

Page 7, line 34, reset in roman "department and the".

Page 7, line 34, reset in roman "jointly".

Page 8, line 14, reset in roman "The department has primary".

Page 8, line 15, reset in roman "responsibility to carry out this subsection."

Page 8, delete lines 20 through 42.

Delete page 9.

Page 10, delete line 1.

Page 15, after line 42, begin a new paragraph and insert:

"SECTION 32. IC 16-41-27-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. A mobile home park shall provide a water supply through the use of a public water

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~~supply~~ system if the water supply is reasonably available within a reasonable distance from the mobile home park. A mobile home park is not required to use a public water ~~supply system~~ if the water system is more than two thousand (2,000) feet from the mobile home park. If a public water ~~supply~~ system is not available, water shall be provided by a system approved by the environmental commissioner under rules adopted by the water pollution control board.

SECTION 33. IC 16-41-27-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 22. (a) The construction of a new mobile home park or alteration of an existing mobile home park shall be made only after plans for the proposed construction or alteration have been forwarded to and approved by the state department.

(b) A **public** water ~~supply~~ system may not be constructed or altered in a new or existing mobile home park until plans for the construction or alteration have been forwarded to and approved by the environmental commissioner under rules adopted by the water board.

(c) A sewage collection and disposal system may not be constructed or altered in a new or existing mobile home park until:

- (1) plans for construction or alteration of the sewage collection system and any septic tank absorption field have been forwarded to and approved by the state department under rules adopted by the state department; and
- (2) plans for construction or alteration of any sewage disposal system other than a septic tank absorption field have been forwarded to and approved by the environmental commissioner under rules adopted by the water board."

Page 16, line 2, delete "IC 13-18-13-4; IC 13-18-13-5; IC 13-18-13-6;" and insert "IC 13-11-2-177; IC 13-11-2-263."

Page 16, delete line 3.

Page 16, line 4, after "agency" insert "**and the department of environmental management**".

Page 16, line 5, after "shall" insert "**jointly**".

Page 16, line 5, delete "implement:" and insert "**implement IC 13-18-22, as added by this act.**".

Page 16, delete lines 6 through 7.

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Renumber all SECTIONS consecutively.  
and when so amended that said bill do pass.

(Reference is to HB 1329 as introduced.)

WEINZAPFEL, Chair

Committee Vote: yeas 11, nays 0.

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## HOUSE MOTION

Mr. Speaker: I move that House Bill 1329 be amended to read as follows:

Page 5, between lines 37 and 38, begin a new paragraph and insert:  
 "SECTION 11. IC 13-15-4-1, AS AMENDED BY P.L.138-2000, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Except as provided in sections 2, 3, and 6 of this chapter, the commissioner shall approve or deny an application filed with the department after July 1, 1995, within the following number of days:

(1) Three hundred sixty-five (365) days for an application concerning the following:

- (A) A new hazardous waste or solid waste landfill.
- (B) A new hazardous waste or solid waste incinerator.
- (C) A major modification of a solid waste landfill.
- (D) A major modification of a solid waste incinerator.
- (E) A new hazardous waste treatment or storage facility.
- (F) A new Part B permit issued under 40 CFR 270 et seq. for an existing hazardous waste treatment or storage facility.
- (G) A Class 3 modification under 40 CFR 270.42 to a hazardous waste landfill.

(2) Two hundred seventy (270) days for an application concerning the following:

- (A) A Class 3 modification under 40 CFR 270.42 of a hazardous waste treatment or storage facility.
- (B) A major ~~new~~ National Pollutant Discharge Elimination System permit.

(3) One hundred eighty (180) days for an application concerning the following:

- (A) A new solid waste processing or recycling facility.
- (B) A minor ~~new~~ National Pollutant Discharge Elimination System individual permit.
- (C) A permit concerning the land application of wastewater.

(4) One hundred fifty (150) days for an application concerning a minor new National Pollutant Discharge Elimination System general permit.

(5) One hundred twenty (120) days for an application concerning a Class 2 modification under 40 CFR 270.42 to a hazardous waste facility.

(6) Ninety (90) days for an application concerning the following:

- (A) A minor modification to a solid waste landfill or incinerator permit.

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(B) A wastewater facility or water facility construction permit.  
 (7) The amount of time provided for in rules adopted by the air pollution control board for an application concerning the following:

- (A) An air pollution construction permit that is subject to 326 IAC 2-2 and 326 IAC 2-3.
- (B) An air pollution facility construction permit (other than as defined in 326 IAC 2-2).
- (C) Registration of an air pollution facility.
- (8) Sixty (60) days for an application concerning the following:
  - (A) A Class 1 modification under 40 CFR 270.42 requiring prior written approval, to a hazardous waste:
    - (i) landfill;
    - (ii) incinerator;
    - (iii) treatment facility; or
    - (iv) storage facility.
  - (B) Any other permit not specifically described in this section for which the application fee exceeds one hundred dollars (\$100) and for which a time frame has not been established under section 3 of this chapter.

SECTION 12. IC 13-15-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 12. **(a) For purposes of this section, if:**

- (1) the deadline for approval or denial of a permit application under section 1 of this chapter precedes July 1, 2003; and**
  - (2) the commissioner does not approve or deny the permit application before the deadline;**
- the deadline for approval or denial is considered to be July 1, 2003.**
- (b) An applicant may not receive a refund of a permit application fee if:**

- (1) the permit application concerned the renewal of a permit;**
  - (2) the expiration date of the permit for which renewal is sought is extended under IC 13-15-3-6; and**
  - (3) the applicant applies in writing to the department for a refund.**
- (c) The amount of a refund under this section for a calendar year in which a fee is assessed under IC 13-18-20-13 is the amount determined in STEP FIVE of the following formula:**

**STEP ONE: Determine the later of:**

- (A) January 1 of that calendar year; and**
- (B) the deadline for approval or denial of the permit application under section 1 of this chapter if the deadline**



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falls in that calendar year.

**STEP TWO: Determine the earlier of:**

(A) the date of approval or denial of the permit application under section 1 of this chapter if that date falls in that calendar year; and

(B) December 31 of that calendar year.

**STEP THREE: Determine the number of days after the date determined under STEP ONE and before the date determined under STEP TWO.**

**STEP FOUR: Multiply the amount determined under STEP THREE by the amount of the fee assessed in that calendar year under IC 13-18-20-13.**

**STEP FIVE: Multiply the product determined under STEP FOUR by seven one hundredths percent (.07%)."**

Page 6, between lines 9 and 10, begin a new paragraph and insert:  
**"SECTION 14. IC 13-15-11-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Before September 1 of each even-numbered year, the department shall report to the environmental quality service council:**

**(1) the department's proposed distribution of funds among the programs referred to in section 1 of this chapter for the current state fiscal year;**

**(2) the department's rationale for the proposed distribution;**

**(3) any difference between:**

**(A) the proposed distribution; and**

**(B) the distribution made by the department in the immediately preceding state fiscal year; and**

**(4) the results of an independent audit of the correlation between:**

**(A) the distribution made by the department with respect to; and**

**(B) the department's actual expenses related to; each program referred to in section 1 of this chapter in the immediately preceding state fiscal year."**

Page 21, after line 9, begin a new paragraph and insert:

**"SECTION 38. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1329 as printed January 29, 2002.)

AVERY

